



Arizona Public Health Association

Affiliated with the American Public Health Association
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September 24, 2015

Mr. Tom Betlach, Director
AHCCCS
c/o Office of Intergovernmental Relations
801 E. Jefferson Street, MD 4200
Phoenix, AZ 85034

2015-2016 AzPHA
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Dear Director Betlach:

On behalf of the Arizona Public Health Association (AzPHA), we thank you for the opportunity to comment on Arizona's 1115 Medicaid waiver application.

Founded in 1928, AzPHA is a membership organization that works to improve the level of health and well-being for all Arizonans. Our members include healthcare professionals, state and county health employees, health educators, community advocates, doctors, nurses and students. The comments below are reflective of our vision to create healthy communities for all Arizonans.

AzPHA would like to extend our support for a number of concepts included in the waiver application intended to empower individuals to make informed and appropriate choices regarding their health. First, we commend the Administration's inclusion of system improvements through Value-Based Purchasing (VBP) strategies and Delivery System Reform Incentive Payments (DSRIP). Specifically, we are encouraged by the Administration's commitment to better integrate behavioral and physical health care services, address chronic disease in populations of high need, and develop primary care models which value population health. Public health professionals, including but not limited to community health workers, are capable of contributing to these pursuits by enhancing coordination of care across systems and connecting individuals to social services in the community. Expanding the role of public health professionals into traditional healthcare settings has been associated with reduced costs, especially for those individuals suffering from chronic disease. AzPHA welcomes the opportunity to work further with the Administration to identify and develop innovative, cost-effective strategies that incorporate public health professionals.

We are also encouraged by the Administration's commitment to address health care disparities of American Indians and Alaskan Natives through the development of medical homes. We are optimistic that this model will allow

individuals receiving care in Indian Health Services and Tribal 638 facilities to receive services from a variety of qualified public health professionals who are experts in case management, care coordination and other triage services. Additional strategies to improve payments to critical access hospitals are another step in the right direction to ensure that rural Arizonans have access to high quality, affordable healthcare. Finally, we applaud the Administration's recognition that many AHCCCS members face unique challenges (e.g., parents with young children, and adults with serious mental illness) which merit exemptions from some of the AHCCCS CARE requirements. We are confident that such provisions will help protect and promote access to care for these populations, thus allowing them to maintain coverage and continue receiving pivotal health services.

The members of AzPHA respectfully share the following concerns with you about the waiver application:

Coverage for Preventive Services

Currently, AHCCCS covers preventive services assigned a grade of A or B by the United States Preventive Services Task Force (USPSTF) for individuals living between 100%-138% federal poverty level (FPL). However, these same services are not covered for individuals living under 100% FPL. AzPHA advocates for coverage of the USPSTF Category A and B services to be included for all AHCCCS members under the new waiver, and would like to bring attention to 2013 CMS guidance indicating a 1% reduction in the Federal Medical Assistance Percentages (FMAP) rate for states which pay for those services for individuals living under 100%FPL:

<http://www.medicaid.gov/Federal-Policy-Guidance/Downloads/SMD-13-002.pdf>. Adequate coverage of A and B services is important in our collective work to promote health equity across all populations since federal law also requires commercial and marketplace health insurance plans to include this in benefit packages.

Lifetime Limits and Disenrollment

Whereas AzPHA and its members are committed to ensuring equitable access to care for all Arizonans, we strongly oppose the legislative proposal to place lifetime limits on AHCCCS coverage. Similarly, we oppose the Administration's proposal to dis-enroll members in the expansion population who fail to pay copays, premiums and fees. We understand the aim to encourage consumers to improve life circumstances and transition away from AHCCCS, but we believe there are alternative, less severe approaches to achieve this aim. We are proud of the great strides Arizona has made to increase coverage levels, thereby laying the groundwork for improved population health outcomes. Any removal of coverage will negatively impact our collective efforts, threaten the viability of public and private investments and jeopardize access to care for vulnerable populations.

Copayments and Premiums

Additionally, we are concerned that the application of premiums and copays – if assessed as currently proposed – may have negative unintended

consequences. Low-income individuals frequently must make difficult financial choices in order to secure or maintain adequate housing, nutrition, and other services necessary simply to survive. What might seem like nominal copayments and premiums might be enough to sway a low-income individual's decision to afford health insurance over other basic needs. We are concerned that individuals may choose, for example, to purchase food instead of paying for premiums, and that this choice may result in a loss of coverage. Furthermore, we believe that the implementation of premiums and copays will result in fewer eligible members applying for AHCCCS coverage due to financial concerns.

We understand the Legislature's intent to lessen excessive use of emergency room visits for non-emergencies through emergency department (ED) copayments. However, it may be difficult to determine appropriate use, especially if the criterion is based on hospital admission. Often, it is difficult to know if an emergency is indeed an emergency, until an individual has been seen in the ED. Also, most urgent care facilities are closed past 10 p.m. and there is no other place to go during a late night health scare. This policy may discourage individuals needing emergency care from going to the hospital for fear that they will have to pay a copay if their visit is deemed a non-emergency.

The prescription drug abuse epidemic is of major concern to the public health community. We commend the Administration for addressing the misuse of opioids, but we suggest expanding copayment exemptions beyond "persons who have cancer or are terminally ill." Many Arizonans living with chronic pain and other illnesses are properly medicated with opiates under the supervision of a qualified health care provider. Thus, copayments for these individuals may not be appropriate. AzPHA welcomes the opportunity to work with AHCCCS further on this important issue and looks forward to continued collaboration with our partners in health care, social services, substance abuse, and the faith-based community to implement evidence-based strategies and policies to decrease opiate abuse and misuse.

We urge the Administration to consider exempting copayments from any services delivered by a county health department not operating as a federally qualified health center. This is not clear in the current materials, and is critical to the strength of our health departments.

AHCCCS Works

The work requirements directed by the Legislature provide some latitude in regards to special populations exempt from seeking employment. Additional consideration should be given to individuals who are not able to seek employment because they suffer from illnesses characterized by periods of good health followed by long periods of poor health (e.g., multiple sclerosis, lupus, etc.). Also, caregivers required to be in the home to care for teenage or adult children who suffer from complex health conditions and experience frequent unavoidable hospitalizations also face challenges in their ability to maintain employment.

Emergency Transportation

Ensuring individuals have access to reliable transportation to medical services is of the utmost importance. AzPHA is very concerned that the legislative proposal to remove emergency transportation benefits will negatively impact members' ability to access appropriate care – especially for those members living in rural Arizona. Additionally, there are vulnerable populations (e.g., immunocompromised cancer patients) who should not be using mass public transportation due to potential exposure to common illnesses.

AHCCCS CARE Accounts

While AzPHA values the Administration's goal to provide members a bridge to independence through AHCCCS CARE accounts, we have concerns regarding specific proposals. First, we recommend AHCCCS consider separating Healthy Arizona targets from access to one's CARE account. The current proposal leaves us to question what happens to CARE account investments if a member fails to meet their Healthy Arizona targets. In alignment with similar strategies in the commercial market, AzPHA suggests that members who pay into individual CARE accounts maintain access to their invested funds, regardless of their ability to achieve predetermined health targets.

Second, given the aim to prepare members for the commercial market via corporate wellness strategies (i.e., implementing health targets and health savings accounts (HSAs)), AzPHA recommends the Administration examine guidelines governing corporate wellness. Specifically, 71 FR 75014 requires the inclusion of reasonable alternatives to health targets for medically unfit individuals. Consideration of this existing guidance may help maximize the effectiveness and approval of AHCCCS CARE.

Finally, we are encouraged that the Administration has proposed allowing members to use CARE account funds to pay for specific non-covered services, yet we urge AHCCCS to broaden its language to allow for additional services which currently may be overlooked. We also seek clarification related to members' ability to apply CARE account funds toward copayments. Should the CARE accounts be approved by CMS, we believe this permission would accurately prepare members for the commercial market, where HSAs are commonly used to pay for copayments.

AzPHA is enthusiastic about AHCCCS' intention to engage community stakeholders during implementation of our improved Medicaid program. We look forward to partnering with the Administration, and welcome any opportunities to offer our unique expertise. As with any system-wide change, it is critical that we identify appropriate ways to not just monitor compliance, but also to measure the effectiveness and efficiency of the new program in terms of improved health outcomes and decreased cost. AzPHA is happy to assist in this matter. In addition, we hope to partner in implementing educational initiatives to inform public health workers about the intricacies of the new program, since many of our members partner with Medicaid-eligible individuals in a variety of settings, including providing

direct application assistance and helping identify points of care. We value our partnership with AHCCCS and are encouraged by the innovative ideas embodied in the 1115 application.

Again, thank you for the opportunity to respond to the waiver proposal and for your commitment to improving the health and well-being of all Arizonans.

Sincerely,

A handwritten signature in black ink that reads "Daniella V. Smith". The script is fluid and cursive, with the first name being more prominent.

Daniella V. Smith
Executive Director
Arizona Public Health Association